

Multifamily Preservation Program (MPP)

MULTIFAMILY PRESERVATION PROGRAM (MPP): HCR’s Multifamily Preservation Program provides gap financing for the preservation and improvement of rental properties located throughout New York State.

Actual award amounts must be recommended by HCR staff, and approved by HCR Credit Committee, the HTFC and/or HFA Board as applicable. Applicants are strongly encouraged to apply for only the funding necessary for the financial feasibility of the project and to leverage funding from non-HCR sources.

Eligible Uses	<p>Substantial rehabilitation or moderate rehabilitation of site-specific multi-family rental housing, including site acquisition, hard, and related soft costs. Rehabilitation work must include the replacement of a minimum of two major building systems.</p> <p>Construction and permanent financing available.</p>
Area Median Income Restrictions	Up to 60% AMI, or 80% AMI for projects utilizing LIHTC Income Averaging.
Subordinate Financing	<p>Subordinate second mortgage financing is available for projects securing first mortgages through conventional bank loans, government sponsored entities such as Freddie Mac or Fannie Mae, or HUD.</p> <p>First mortgages financed by taxable or tax-exempt bonds issued by HCR’s Housing Finance Agency (HFA) will be available at HCR’s sole discretion.</p> <p>Construction and permanent financing is available.</p> <p>Funding under this program is competitive, and subordinate loans will be structured based on a project’s physical and financial needs. Projects will be awarded the minimum amount necessary to ensure financial feasibility.</p>
Per Unit Maximum Award	<p>Up to \$75,000 per income restricted unit.</p> <p>Maximum award does not include potential Clean Energy Initiative (CEI) funding. Please refer to the CEI Program term sheet for CEI funding program details.</p> <p>Projects are strongly encouraged to secure other, non-HCR subsidy resources. The maximum per unit awards are expected for projects unable to secure leveraged resources and/or for projects where prevailing wages are required.</p>
Interest Rate and Loan Terms	0.25% interest-only paid during construction and permanent. 0.25% servicing fee paid during construction and permanent. Minimum 30 year term.
Priorities	Properties currently supervised or otherwise regulated by HCR.

Eligible Applicants	Not-for-profit corporations or charitable organizations, or a wholly owned subsidiary of such corporations or organizations, or private for-profit developers.
Regulatory Agreement Requirements	Minimum 40 year regulatory agreement.
Monitoring Fees	A fee sufficient to cover the cost of monitoring program requirements will be charged unless, for projects not financed by HFA tax-exempt bonds, another governmental funder agrees to monitor this program's requirements in a manner acceptable to HCR.

HCR retains the right to revise this term sheet from time to time and to waive any requirement contained therein, subject to the applicable statutes and program regulations. HCR also retains the right to not award any or all funds under this program. All proposals must comply with all applicable federal, state and local laws.